

Message Text

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PAGE 01 GUATEM 00026 032334Z
ACTION ARA-10

INFO OCT-01 ISO-00 ERDA-07 AID-05 CEA-01 CIAE-00 CIEP-02
DODE-00 EB-07 FPC-01 H-02 INR-07 INT-05 L-03 NSAE-00
NSC-05 OMB-01 PM-04 USIA-15 OES-06 SP-02 SS-15 STR-04
TRSE-00 ACDA-10 FEA-01 EPA-04 PA-02 PRS-01 /121 W
-----040054Z 060886 /63

R 032252Z JAN 77
FM AMEMBASSY GUATEMALA
TO USDOC WASHDC
INFO SECSTATE WASHDC 4327
AMEMBASSY SAN SALVADOR
AMEMBASSY TEGUCIGALPA
AMEMBASSY MANAGUA
AMEMBASSY SAN JOSE
AMEMBASSY PANAMA

UNCLAS GUATEMALA 0026

PASS ERDA, EPA

E.O. 11652 NA
TAGS: BEXP, ENRG, GT
SUBJ: CENTRAL AMERICAN TECHNICAL SEMINAR ON GEOTHERMAL POWER

1. SUMMARY: CENTRAL AMERICAN POSTS AND PANAMA JOINTLY PROPOSE THAT DEPARTMENT OF COMMERCE ORGANIZE AND SPONSOR TECHNICAL SEMINAR ON GEOTHERMAL POWER TO BE HELD IN MID 1977 IN COSTA RICA OR NICARAGUA. SEMINAR WOULD BE FOR THE SIX COUNTRIES' NATIONAL ELECTRIC POWER COMPANIES TO STIMULATE THEIR INTEREST IN US GOODS AND SERVICES IN THIS TECHNOLOGY WHICH IS BEING DEVELOPED RAPIDLY IN THIS REGION. ALL POSTS HAVE CONSULTED AND STRONGLY ENDORSE PROPOSAL.

2. LAST OCTOBER AT ITALIAN GOVERNMENT SPONSORED FIRST LATIN AMERICAN CONFERENCE ON GEOTHERMAL ENERGY IN GUATEMALA CITY, IT WAS ESTIMATED THAT AT LEAST \$200 MILLION
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PAGE 02 GUATEM 00026 032334Z

WILL BE SPENT BY CA GOVERNMENTS TO DEVELOP THEIR GEOTHERMAL RESOURCES DURING NEXT DECADE. FURTHER INVESTIGATION MAKES CLEAR THAT POTENTIAL BUSINESS IS VERY LARGE. ALL CA COUNTRIES AND PANAMA HAVE ON-GOING GEOTHERMAL PROGRAMS. EL SALVADOR, WITH ITS AHUACHAPAN FIELD ALREADY PRODUCING 60 MW, IS MOST ADVANCED. TENDERING FOR THIRD AND LAST 30 MW UNIT FOR AHUACHAPAN

IS UNDERWAY, AFTER WHICH GOVERNMENT WILL TURN ATTENTION TO OTHER REGIONS WITH GOAL OF INSTALLING ANOTHER GEOTHERMAL UNIT IN MID 1980S. NICARAGUA IS DEVELOPING MOMOTOMBO FIELD AND IS ABOUT TO BUY 30 TO 50 MW GENERATING FACILITY. GOVERNMENT'S GOAL IS TO DEVELOP 200 MWS OF GEOTHERMAL GENERATING POWER OVER NEXT FEW YEARS. THIS WOULD COST AN ESTIMATED \$180 MILLION. IN GUATEMALA, EXPLORATION FOR STEAM SOURCES NEAR MOYUTA IS CONTINUING WITH HOPES THAT \$20 MILLION 30 MW PLANT CAN BE BUILT THERE. COSTA RICA HAS EMBARKED ON \$4.6 MILLION GEOTHERMAL SURVEY AND FEASIBILITY STUDY AND HONDURAS IS SELECTING CONTRACTOR FOR \$1 MILLION SURVEY OF ITS GEOTHERMAL RESOURCES. PANAMA IS CONDUCTING A FACT FINDING SURVEY WITH POTENTIAL INVESTMENT OF \$16 MILLION IN GEOTHERMAL PLANTS.

3. UP TO NOW GEOTHERMAL ACTIVITIES IN EL SALVADOR AND GUATEMALA HAVE BEEN DOMINATED BY ITALIAN, FRENCH AND JAPANESE FIRMS, WHILE US HAS BEEN IN VANGUARD ONLY IN NICARAGUA AND COSTA RICA. LAST OCTOBER'S CONFERENCE IN GUATEMALA WAS OBVIOUS EFFORT BY ITALIANS TO EXPAND THEIR ALREADY STRONG POSITION IN THIS MARKET.

4. CA POSTS AND PANAMA HAVE CONSULTED AND AGREED THAT, IN VIEW OF THESE VERY SIGNIFICANT INVESTMENT PLANS PLUS GROWING COMPETITION, TIME IS RIPE TO PROMOTE EXPORT OF US GEOTHERMAL SERVICES AND EQUIPMENT. WE THEREFORE JOINTLY PROPOSE THAT US DEPT OF COMMERCE ORGANIZE AND SPONSOR TECHNICAL SEMINAR ON GEOTHERMAL POWER IN CENTRAL UNCLASSIFIED

UNCLASSIFIED

PAGE 03 GUATEM 00026 032334Z

AMERICA TO BE HELD IN MID 1977. WE BELIEVE SUCH A SEMINAR WOULD DO MUCH TO MEET EUROPEAN AND JAPANESE COMPETITION AND SET STAGE FOR SIGNIFICANT EXPORTS OF US SERVICES AND EQUIPMENT.

5. IDEA WOULD BE TO HOLD SEMINAR IN COSTA RICA WHERE US EXPLORATION EQUIPMENT MAY BE IN PLACE BY MID 1977 OR IN NICARAGUA WHERE MOMOTOMBO FIELD BEING DEVELOPED BY US FIRM. IN COSTA RICA, GOVERNMENT ELECTRICITY INSTITUTE, ICE, IS ENTHUSIASTIC ABOUT IDEA AND MOST WILLING TO HOST CONFERENCE. IF US EQUIPMENT NOT IN PLACE THERE BY MID 1977 THEN BEST SITE WOULD BE NICARAGUA, WHERE VISIT TO MOMOTOMBO WOULD BE OF SPECIAL INTEREST.

6. SPEAKERS FOR SEMINAR WOULD BE YOUR DECISION, BUT AMONG LOGICAL PARTICIPANTS ON GOVERNMENT SIDE WOULD BE OFFICIALS FROM ERDA AND EPA, AND FROM INDUSTRY SIDE, REPRESENTATIVES OF EXPLORATION AND DRILLING FIRMS AND HARDWARE MANUFACTURERS. FIRMS COMING TO MIND ARE

ROGERS ENGINEERING, SAN FRANCISCO, CALIFORNIA (PERFORM-
ING FIRST STAGE OF EXPLORATION IN COSTA RICA); CALIFORNIA
ENERGY COMPANY (DEVELOPING MOMOTOMBO FIELD);
GEONOMICS INC., BERKELY, CA.; UNION OIL; GE; TERRY
STEAM TURBINE; ELLIOT COMPANY AND TURBODYNE CORPO-
RATION. NATURAL THEME OF CONFERENCE WOULD BE US
EXPERIENCE AND ADVANCES IN THIS NEW TECHNOLOGY
BOTH FROM GOVERNMENT AND INDUSTRY SIDES.

7. INVITATIONS FOR SEMINAR WOULD GO TO OFFICIALS OF
CA AND PANAMA NATIONAL ELECTRIC POWER AUTHORITIES AS
WELL AS ANY OTHER OFFICIALS CONSIDERED APPROPRIATE.
WE ASSUME IVITEES WOULD BE EXPECTED TO PAY ALL
THEIR OWN EXPENSES ALTHOUGH IT WOULD BE WELCOME
INDUCEMENT IF AIRPLANE TICKETS COULD BE OFFERED TO
KEY OFFICIALS. MID 1977 TIMING IS PROPOSED BECAUSE
OF NEED TO MOVE QUICKLY IF PROMOTION IS TO COME BEFORE
UNCLASSIFIED

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PAGE 04 GUATEM 00026 032334Z

MAJOR CONTRACTS FOR EXPLORATION AND EQUIPMENT ARE SIGNED.

8. ALL POST LOOK FORWARD TO YOUR REPLY.
ANDREWS

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
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Current Classification: UNCLASSIFIED
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Control Number: n/a
Copy: SINGLE
Sent Date: 03-Jan-1977 12:00:00 am
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Decaption Note:
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Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01-Jan-1960 12:00:00 am
Disposition Event:
Disposition History: n/a
Disposition Reason:
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